

# Worksession

<b>Agenda Item #</b>	6
<b>Meeting Date</b>	October 15, 2007
<b>Prepared By</b>	Sara Anne Daines HCD Director
<b>Approved By</b>	Barbara B. Matthews City Manager

<b>Discussion Item</b>	Discussion of Proposed Community Development Block Grant (CDBG) Projects												
<b>Background</b>	<p>Applications for CDBG funding for both capital and public service projects were solicited from both the community and City Departments. A total of four applications were received. Each was reviewed by members of the Community Advisory Committee and have been forwarded to the Council for further consideration. A listing of the recommended projects and suggested CDBG funding level follows. Additional information on each of the requests is attached.</p> <p>To qualify for CDBG funding, a project must provide direct benefit to low- and moderate-income (LMI) persons or households. To meet this objective, the activity must have either income eligibility requirements that limit the activity's benefits to LMI person or be located in and serve an area that is predominantly inhabited by LMI residents. Under the CDBG regulations, programs that serve the elderly or persons with disabilities are usually considered to benefit low- and moderate-income persons. Each activity must serve no less than 51% LMI persons. Not less than 70% of the City's overall CDBG activities must benefit LMI persons.</p> <p>Projects which address conditions of slum and blight are also eligible for funding.</p> <p>Staff has been advised that the City will receive an estimated \$135,000 in CDBG funds in PY34 (FY09-10). Of this amount, not more than 15% of the funding can be allocated for community or public service projects with the balance directed toward eligible capital improvement projects.</p> <p><u>Public Service Recommendations:</u></p> <table> <tr> <td>\$ 9,000</td> <td>Manna Foods, Inc. <i>Smart Sacks and Takoma Park Food Distribution Project</i></td> </tr> <tr> <td>\$ 6,000</td> <td>Digital Bridge <i>Community Technology and Resource Center</i></td> </tr> <tr> <td>\$ 5,000</td> <td>City of Takoma Park <i>Recreation Department Scholarship Program</i></td> </tr> <tr> <td>\$ 20,000</td> <td>Total Proposed Public Service Projects</td> </tr> </table> <p><u>Capital Improvement Project Recommendations:</u></p> <table> <tr> <td>\$115,000</td> <td>City of Takoma Park <i>Affordable Housing Initiative</i></td> </tr> <tr> <td>\$115,000</td> <td>Total Proposed Capital Improvement Projects</td> </tr> </table>	\$ 9,000	Manna Foods, Inc. <i>Smart Sacks and Takoma Park Food Distribution Project</i>	\$ 6,000	Digital Bridge <i>Community Technology and Resource Center</i>	\$ 5,000	City of Takoma Park <i>Recreation Department Scholarship Program</i>	\$ 20,000	Total Proposed Public Service Projects	\$115,000	City of Takoma Park <i>Affordable Housing Initiative</i>	\$115,000	Total Proposed Capital Improvement Projects
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<b>Policy</b>	To maximize funding resources available for programming which benefits the community's low and moderate income populations.
<b>Fiscal Impact</b>	In the event the City's CDBG allocation is less or greater than anticipated, the approved project budgets would be reviewed. If a public service activity or capital project could not be completed as proposed at the reduced funding level, the funds would be reallocated to another project. Any significant changes in the programming of CDBG funds would be brought before the Council for consideration.
<b>Attachments</b>	PY34 CDBG Project Listing and Benefit Matrix
<b>Recommendation</b>	To review and comment on the recommendations. A resolution approving proposed CDBG projects and authorizing their submission to Montgomery County is to be considered by the Council on October 22, 2007.
<b>Special Consideration</b>	

CITY OF TAKOMA PARK - Community Development Block Grant (CDBG) Program

PY- 34 CDBG PUBLIC SERVICE PROJECTS

Estimated Funding Level: \$20,000 (15% of Anticipated Award)

Applicant	Project	Description	Request	LMI Impact	\$ per LMI	Previously Funded	Comments
City of Takoma Park	Recreation Department Scholarships	Scholarships for income eligible Takoma Park residents participating in before and/or after school programming.	\$5,000	9 LMI	\$600 per person	No	Funding would augment City’s current scholarship program.
Manna Foods, Inc.	Takoma Park Food Distribution Program	Delivery of food to income eligible residents of the Franklin apartments. Provision of back packs of kid-friendly food to LMI children at Rolling Terrace, Piney Branch and Takoma Park Elementary Schools.	\$9,000	810 LMI	\$12 per person	Yes  PY32 PY33	Primary beneficiaries are residents of the Maple Avenue neighborhood. (CDBG eligible area)
Digital Bridge	Community Technology and Resource Center	Hands on computer training to children, youth and their parents, the unemployed and under employed.	\$15,000(*)	75 LMI  100 Total	\$150 per person	No	Primary focus is on Maple Avenue neighborhood’s African community. (CDBG eligible area)
		Total Requests	\$29,000				

(\*) Recommended funding level is less than requested by applicant

**PY- 34 CDBG CAPITAL PROJECTS**  
 Estimated Funding Level: \$115,000 (85% of Anticipated Award)

Applicant	Project	Description	Request	Total Budget	LMI Impact	\$ per LMI	Previously Funded	Comments
City of Takoma Park	Affordable Housing Initiative	Capital funding in support of City’s affordable housing goals.  Project(s) could include gap financing for the acquisition, demolition and/or renovation of existing housing, gap financing for new construction, down payment assistance, etc. Anticipated beneficiary could include affordable housing providers as well as LMI individuals. Projects may include affordable rental housing and/or home ownership opportunities.	\$115,000	TBD	12 HH	Average \$9,600 household	No	Specifics of proposed programming to be developed in partnership with City Council with program/projects finalized prior to execution of CDBG contract and issuance of Notice to Proceed.
		Total Requests	\$115,000					

Recommended Projects:	Capital Projects	City of Takoma Park / Affordable Housing Initiative	\$115,000	12 LMI Households
		Total Capital Projects	\$115,000	12 LMI Households / \$9,600 per LMI Household
	Public Service	City of Takoma Park / Recreation Department Scholarships	\$ 5,000	9 LMI Individuals
		Manna Foods, Inc. / Takoma Park Food Distribution Program	\$ 9,000	810 LMI Individuals
		Digital Bridge / Community Technology and Resource Center	\$ 6,000	30 LMI Individuals
		Total Public Service Projects	\$20,000	849 LMI Individuals / \$24 per LMI Individual